



# State of Utah

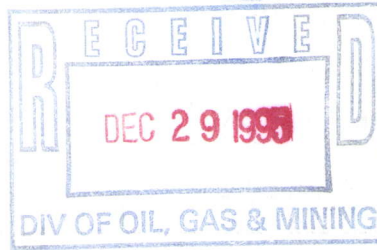
## DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF WATER QUALITY

Michael O. Leavitt  
Governor

Dianne R. Nielson, Ph.D.  
Executive Director

Don A. Ostler, P.E.  
Director

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December 21, 1995

### Water Quality Board

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Don A. Ostler, P.E.  
Executive Secretary

Mr. Robert E. Dunne, Project Manager  
Tailings Modernization Project  
Kennecott Utah Copper Corporation  
11984 West Highway 202  
Magna, Utah 84044

SUBJECT: Signed Copy of Memorandum of Agreement and First Reimbursement Request

Dear Mr. Dunne:

Enclosed, please find your copy of the Memorandum of Agreement (MOA) in support of consulting services for the Kennecott Tailings Impoundment permitting.

In accordance with the terms of the MOA, please find enclosed the first invoice from Gene Farmer for the amount of \$1,462.92. Would you please reimburse the Division of Water Quality with a check for this amount.

Sincerely,

John Whitehead, Ground Water Hydrologist  
Ground Water Protection Section

JW:wfm

Enclosures (2)

cc: Wayne Hedberg, DOGM (w/encl)

P:\WQ\PERMITS\WHITEHEAD\MOA2.LTR  
FILE:KENNECOTT\FARMER CONTRACT



**MEMORANDUM OF AGREEMENT**

**BETWEEN**

**UTAH DIVISION OF WATER QUALITY,**

**UTAH DIVISION OF OIL GAS AND MINING**

**AND**

**KENNECOTT UTAH COPPER**

- I. General. The Division of Water Quality (DWQ), the Division of Oil Gas and Mining (DOGM), and Kennecott Utah Copper (KUC) hereby enter into this Memorandum of Agreement (MOA).
  - A. KUC owns and operates the Bingham Canyon Mine and the associated Tailings Impoundment located near the town of Magna in Salt Lake County Utah.
  - B. Permitting of the Kennecott Tailings Impoundment requires an understanding of the environmental ramifications of near and long term acidification potential of the stored tailings. In order to accomplish a thorough review and analysis of these issues, DWQ and DOGM require the outside expertise of a qualified consultant.
  - C. KUC desires to secure a Ground Water Discharge Permit and a Mining and Reclamation Permit for the Tailings Impoundment in an expeditious manner.
  - D. DWQ is responsible for administering the Ground Water Quality Protection Program which includes issuance of Ground Water Discharge Permits for the State of Utah.
  - E. DOGM is responsible for administering the Mined Land Reclamation Program which includes issuance of Mining and Reclamation Permits for the State of Utah.
- II. Duration. This MOA will become effective upon signature and will remain in effect until December 31, 1998.
  - A. This agreement may be extended if expressly agreed in writing by signatories to this agreement 30 days prior to its expiration date.

III. Agreement.

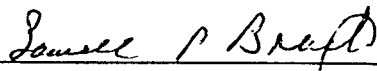
A. DWQ and DOGM agree to:

1. Procure the consulting services of a qualified consultant (third party contractor) to assist in permit application review and review of associated information submitted to satisfy compliance schedule conditions after permit issuance for the Tailings Impoundment.
2. Administer third party contracts and maintain associated records through DWQ. DWQ will compile and present to Kennecott, reimbursement requests supported by invoices from the contractor for reimbursement.

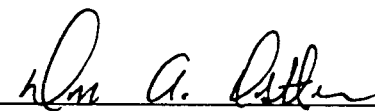
B. KUC agrees to:

1. Support third party contracts for review of permit applications and associated information submitted to satisfy compliance schedule conditions after permit issuance as eligible permit administration fees.
1. Reimburse DWQ for all costs associated with third party contract reviews within 30 (thirty) days of receipt of request for payment from DWQ up to a maximum of \$50,000.00 over the life of this agreement.

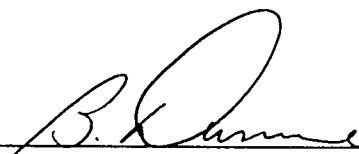
SIGNATURES

  
\_\_\_\_\_  
Lowell P. Braxton.  
Associate Director Mining,  
Division of Oil Gas and Mining

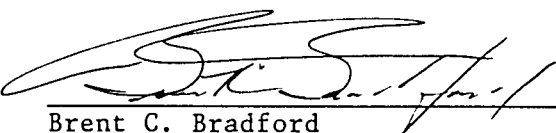
11/15/95  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Don A. Ostler, P.E.  
Director, Division of Water Quality

11/15/95  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Robert E. Dunne  
Project Manager  
Tailings Modernization Project  
Kennecott Utah Copper Corp.

15 Nov 95  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Brent C. Bradford  
Deputy Director  
Utah Department of Environmental Quality


8 Dec 95  
\_\_\_\_\_  
Date

CONFIDENTIAL

DECEMBER 1, 1995

INVOICE FOR PROFESSIONAL SERVICES  
DECEMBER, 1995

To: John Whitehead, Project Manager  
Utah DEQ, Division of Water Quality  
Salt Lake City, Utah

From: Eugene E. Farmer   
P.O. Box 204  
Providence, Utah 84332

DEC

EIN: 87-0544516

Re: Kennecott Tailings Expansion Project

<u>DATE</u>	<u>HOURS</u>	<u>REMARKS</u>
11/28/95	6	Start review of KUC tailings acidification rpt.
11/29/95	7	Reviewing KUC acidification report.
11/30/95	10	Field review of KUC tailings pond and expansion area.

Invoice total = 13 hours + one field day.

Vehicle Expense

11/30/95 196 miles from Providence to Salt Lake City and return  
196 @ \$0.27 = \$52.92

Invoice Total

13 hrs @ \$70. = \$910.00  
one field day = \$500.00  
vehicle expense = \$52.92  
INVOICE TOTAL = \$1462.92